



# CONSUMER ALERT

## HOME HEATING HELP: MICHIGAN'S 2004/2005 HEATING SEASON

### Michigan Citizens Can Get Help with Heating Bills

Heating bills will be higher this winter because of expected colder weather and increased natural gas prices. Therefore, it is extremely important to know that help with winter heating bills may be available to senior citizens and low-income customers. The Michigan Public Service Commission (MPSC) encourages these customers to take advantage of home heating help programs. A variety of programs are available to assist eligible customers. Customers facing heating bills that they are unable to pay should first contact their utility company or energy supplier and explain their situation **before** receiving a shut-off notice. These customers should also sign up for energy assistance programs for which they are eligible.

- ◆ **Winter Protection Plan**
- ◆ **Earned Income Credit**
- ◆ **Home Heating Credit**
- ◆ **State Emergency Relief Program**
- ◆ **Programs to Reduce Energy Use**

#### Winter Protection Plan

The Winter Protection Plan protects senior and low-income customers of Commission-regulated natural gas and electric companies, rural electric cooperatives and alternative electric suppliers from electric or natural gas service shut-off and high utility payments between December 1 and March 31. Persons qualify for the plan if they meet any of the following criteria:

- ◆ are age 65 or older, or
- ◆ receive Michigan Family Independence Agency cash assistance, or
- ◆ receive Food Stamps or Medicaid, or
- ◆ have a household income at or below 150% of poverty level.

Winter Protection allows eligible low income customers to make monthly payments of at least 7% of their estimated annual bill, along with a portion of any past-due amount, December through March, and avoid shut-off during that time even if their bills are higher. Eligible senior citizens participating in Winter Protection are not required to make specific monthly payments between December 1 and March 31, but are encouraged to do so to avoid higher bills when the protection period ends. At the end of the protection period, both low-income and senior citizens taking part in the plan must pay off any money owed in installments between April and November.

***To apply, contact your natural gas or electric utility company or alternative electric supplier.***

#### Earned Income Credit

Apply for an Earned Income Credit with the U.S. Department of Treasury, Internal Revenue Service (IRS) when completing Federal Income tax returns. For details, check IRS tax forms for the Earned Income Credit. A household with one adult between 25 and 64 and no children and with an income under \$11,490 could receive a credit of up to \$390. An adult living with one qualifying child and with an income under \$30,338 could receive a credit of up to \$2,604. An adult living with two or more qualifying children and with an income under \$34,458 could receive a credit of up to \$4,300.

***Application forms can be requested from the IRS at 800-829-1040 or through its website at [www.irs.gov](http://www.irs.gov).***



## Home Heating Credit

Qualified persons may receive a credit to help pay winter heating bills. Apply for a Home Heating Credit if you are:

- low-income,
- receiving public assistance, or
- receiving unemployment compensation.

Eligible customers must meet guidelines based on household income exemptions and heating costs.

Home Heating Credit forms for tax year 2004 must be filed by **September 30, 2005**.

***The application form (MI-1040CR-7) can be requested from the Michigan Department of Treasury at 800.487.7000, or through its website at [www.michigan.gov/treasury](http://www.michigan.gov/treasury) after the beginning of 2005. Individuals who received a credit in the past year should receive a new form in the mail in January, 2005.***

## State Emergency Relief Program

This program may help low-income households pay part of their heating or electric bills and may help keep their utilities in service or have service restored. Anyone can apply for help. The program is available year-round.

***Call your local Family Independence Agency office for information.***

## Other Assistance Options

There are other organizations that can, at times, provide emergency energy bill payment assistance. The Heat and Warmth Fund (T.H.A.W.) provides bill payment assistance to low-income residents in 65 Michigan counties – including the Upper Peninsula. THAW's toll-free referral number is 1-800-866-THAW (8429). The Salvation Army may also be able to provide emergency assistance. Check your telephone book for the nearest center.

## Programs to Reduce Energy Use

Using less energy in the home can lower utility bills. Local Community Action Agencies may help with caulking and insulation if specific low-income guidelines are met.

The MPSC offers the brochure "Energy Savers-Tips on Saving Energy & Money at Home." For a free copy of this brochure, call the MPSC at 800.292.9555. This brochure and others on important utility issues are also available on the MPSC's website at [www.michigan.gov/mpscalerts](http://www.michigan.gov/mpscalerts).

In a joint statement, Chair J. Peter Lark and Commissioners Robert B. Nelson and Laura Chappelle said: "The bill payment assistance programs offer assistance to many people concerned about keeping warm in harsh winter months. However, those customers must make their needs known to their utility company or electric supplier, or request bill payment assistance through the various federal and state agency programs."

You may also be interested in the Consumer Alert "Prepare for Higher Gas Cost" available on the MPSC website [www.michigan.gov/mpscalerts](http://www.michigan.gov/mpscalerts) or by calling 1-800-292-9555.

**Remember, as soon as you have a problem paying energy bills, call your utility company or alternative natural gas supplier!**

## STATE OF MICHIGAN

### Department of Labor & Economic Growth

### Michigan Public Service Commission

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